STAND. COM. REP. NO. 2645

Honolulu, Hawaii

FEB 2 8 2014

RE: S.B. No. 2196

S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2196, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to facilitate alternative energy research and production in the State.

Specifically, the measure:

- (1) Re-establishes the energy systems development special fund;
- (2) Increases the amount of the environmental response, energy, and food security tax to be deposited into the environmental response revolving fund, energy security special fund, and agricultural development and food security special fund; and
- (3) Extends various allocations of the environmental response, energy, and food security tax to June 30, 2030.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Department of Agriculture, Hawaii Natural Energy Institute, Renewable Energy Action Coalition of Hawaii, Blue Planet Foundation, The Nature Conservancy, and two individuals.

SB2196 SD2 SSCR LRB 14-1492.doc



Your Committee received written comments in opposition to this measure from one individual. The Department of Taxation, Department of Budget and Finance, Department of Health, and the Public Utilities Commission submitted written comments on the measure.

Your Committee finds that this measure will ensure dedicated funding for the State to meet its long-term clean energy goals and support efforts to develop food self-sufficiency and prepare for an environmental response.

Your Committee has amended this measure by:

- (1) Changing the amounts of the environmental response, energy, and food security tax on each barrel to be deposited into the environmental response revolving fund, energy security special fund, and agricultural development and food security special fund, respectively, to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making nonsubstantive technical amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2196, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2196, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DAVID Y. LOE, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SBJIde, SDI	ENE/AGL,WAM			2-19-14	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)					
KIDANI, Michelle N. (VC)		/			
CHUN OAKLAND, Suzanne		V			
DELA CRUZ, Donovan M.		/			
ENGLISH, J. Kalani		V			
ESPERO, Will		V			
KAHELE, Gilbert	***	V			
KEITH-AGARAN, Gilbert S.C.					V
KOUCHI, Ronald D.					V
RUDERMAN, Russell E.					
THIELEN, Laura H.		<u> </u>			
TOKUDA, Jill N.		V			
SLOM, Sam				V	
		10	0	1	2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenroe File with Committee Report Clerk's Office Drafting Agency Committee File					

*Only one measure per Record of Votes